

Summary of Evaluation Results concerning Effectiveness of Board of Directors (FY2021)

BELLSYSTEM24 Holdings, Inc. (the “Company”) hereby announces a summary of results of a survey targeting Directors and Corporate Auditors concerning the evaluation of the effectiveness of its Board of Directors in FY2021.

[Procedures for Evaluation of Board of Directors]

Subjects	9 Directors (including 5 Non-Executive Directors (including 3 Independent Outside Directors)) 3 Corporate Auditors (including 2 Outside Corporate Auditors (including 1 Independent Outside Corporate Auditor)) Total: 12 (Respondents gave their names)
Survey period	February 24, 2021 – March 12, 2021
Survey method	A questionnaire was filled out by respondents The questionnaire signed by the respondents was collected by the secretariat, where aggregate results were compiled.
Questions	Matters classified in the following 8 major categories (18 questions) (i) Composition and administration of the Board of Directors (ii) Strategy and execution (iii) Risks and crisis management (iv) Corporate ethics (v) Monitoring of operating results (vi) Transactions related to organizations and business restructuring (vii) Evaluation and remuneration of the management team (viii) Dialogue with shareholders
Evaluation method	Based on the content of respondents’ answers, analysis and evaluation were conducted by the Directors and Corporate Auditors.

[Summary of evaluation results and issues for the improvement of the effectiveness of the Board of Directors that were extracted from evaluation results]

Evaluation results indicate that although meetings of the Board of Directors were held online, prior explanations, etc. about important matters were more detailed. Moreover, relevant materials had concise descriptions of agenda for discussions and are delivered early enough to allow prior checking. Consequently, sufficient discussions were conducted. On the other hand, there was room for improvement in communication with respect to information sharing other than that about meeting agenda because communication decreased due to online meetings. Furthermore, some stated that opinions and requests expressed during dialogues with shareholders should be shared and presented as agenda for discussions at meetings of the Board of Directors.

Based on these results, we will consider measures to improve the following issues arisen from evaluation results.

1. Composition and administration of the Board of Directors

For online meetings of the Board of Directors, facilitation solutions to support smooth process of meetings should be devised, in order to take advantage of Outside Directors' knowledge. Moreover, points for discussions should be described in a more concise manner, while more detailed prior explanations, etc. should be provided about important matters, in order to deepen the participants' understanding, thereby further vitalizing deliberations by the Board of Directors.

2. Risks and crisis management

With respect to risk management, it was evaluated that timely and appropriate reports are made in public disclosure about measures to prevent the COVID-19 infections and the status of infections. However, as it is assumed that infections may spread further due to coronavirus variants, infection prevention measures and information sharing with the Board of Directors should be further improved according to the situation in the future.

3. Monitoring of operating results

Reporting of the degree of attainment of qualitative goals, in addition to quantitative goals, should be further improved. Moreover, in order to deepen outside officers' understanding of this issue and appropriately hear their views, explanations that contribute to their understanding of the actual situation such as competitors and medium- to long-term issues should be provided, thereby ensuring more effective monitoring of operating results.

4. Dialogue with shareholders

Opinions and requests expressed during dialogues with shareholders that are held periodically should be shared and presented as agenda for discussions at meetings of the Board of Directors. Moreover, in disclosing and providing information about management strategy, corporate governance, social and environmental issues and ESG-related and non-financial information, discussions should be expanded to ensure a high usability of such information for stakeholders.

Using as a reference the results of the evaluation of the Board of Directors, the Company will continuously work to make improvements with the aim to build an optimal corporate governance system based on the management environment surrounding the Company.

End.